

BRITISH MOUNTAINEERING COUNCIL

177-179 Burton Road
Manchester M20 2BB

Tel: 0161 445 6111
www.thebmc.co.uk
email: lucy@thebmc.co.uk

Board of Directors

Redacted minutes of the Board meeting held by way of GoToMeeting on Thursday 16 April 2020
at 7pm

Directors Present:	Gareth Pierce (GP)	Chair
	Matthew Bradbury (MB)	Senior Independent Director
	Paul Drew (PD)	Independent Director
	Jonny Dry (JD)	Nominated Director (Fundraising)
	Huw Jones (HJ)	Nominated Director (Finance)
	Amanda Parshall (AP)	Independent Director
	Jon Punshon (JP)	Council Nominated Director (CND)
	Lynn Robinson (LR)	President
	Fiona Sanders (FS)	CND
	Chris Stone (CS)	CND
	Dave Turnbull (DT)	CEO
	Jonathan White (JW)	Nominated Director (Clubs)
In attendance:	Lucy Valerio (LV)	Company Secretary

* denotes supporting paper(s) circulated prior to meeting

Actions

1. Welcome, apologies & declaration of interests

GP welcomed everyone to the meeting. He noted there were no apologies.

Conflicts of interest declared:

- MB in respect of BMC Access & Conservation Trust (ACT)
- DT and LV as members of staff
- CS as a volunteer requesting funding from the BMC for an event
- General conflict in respect of several Board members being members of clubs

2. Financial Scenarios*

- 2.1 GP referred to the latest figures uploaded to Teamwork (BMC Corona budget review 2020 at 15Apr20) showing the BMC's financial position as a result of the on-going coronavirus crisis (the Crisis) and asked DT if there was anything to add. DT said he had been through the expenditure with Alan Brown (AB) the Financial Controller and noted the £24k Sport England saving is the minimum that can be reallocated for staff time. The figures also assume that Cotswold, Montane and the Swiss Tourist Board will pay, but they are currently requesting a 3 month payment holiday.

The meeting made the following comments about the paper:

- GP noted one scenario was a swing to a deficit of £120k in 2021 but a surplus of £58,500 for 2020. He added there were two scenarios identified in respect of attrition rates, with a slow down in July or in October.

- JW said that the Board had decided to take a conservative approach to figures at the end of March, he felt the paper did not look conservative, but optimistic.
- JW asked for attrition rates to show usual attrition rates and Crisis attrition rates.
- PD asked about the member numbers for April showing 50,423 and for March showing 50,654 – so almost everyone renewed. HJ noted that April's membership figures do not show a decrease in members.
- It was felt the figures should be double-checked.
- HJ said he would ask AB to circulate the membership reports.
- PD asked if all expenditure had been reviewed for savings as he noticed in the 2019 figures office costs were £119k and in the current figures a saving of £1,200 was being shown in relation to the office being shut, he felt there were more savings to be made.
- FS asked if the BMC had applied for relief on rates, and PD queried if the BMC was eligible for any grants/rate reliefs.
- MB said if the BMC pays rates it should be eligible and it should have received a letter asking the BMC to apply. If no such letter has been received the office should get in touch with the rating department at the council and ask to apply. HJ said he would ask AB to look into this.
- PD asked if there were figures showing expenditure to date, as that would help track costs. HJ said AB usually produces quarterly management accounts, but he has not had sufficient time to do this for the first quarter at present.
- GP said the figures showed that 2021 would be a very challenging year, HJ agreed and said it might be sensible to try and put more money into the reserves in 2020, if possible.

Action:
HJ

Action:
HJ

HJ noted that the Finance and Audit Committee (FAC) was due to meet on Monday 20 April and they would have a further look at the figures to produce an updated report for the next Board meeting on Thursday 23 April.

GP suggested a further Board meeting in May as the 1 May could result in further cancellations, and so provide a better idea of Crisis attrition rates.

3 Staffing*

3.1 Update on furloughed staff and possible further furloughing

GP reported that 10 members of staff had been furloughed on 3 April, which was a couple more than previously noted by the Board. DT said there were a further three members of staff that could potentially be furloughed.

He added that Cath Flitcroft had asked to swap with Rob Dyer i.e. she be furloughed and Rob be unfurloughed. DT noted Cath's main piece of work had been postponed and so this would be possible. MB said in respect of the swapping, Rob would still have to complete his minimum 3 week furlough period.

3.2 Approach to annual leave (A/L)

GP reported the decision was that furloughed staff would not be able to take A/L in that period, so they will be accumulating A/L. There is therefore a suggestion that staff still working should be asked to take A/L so that when the office is able to fully reopen there is not the situation that most members of staff will have in excess of 20 days holiday to take.

PD noted in another of his roles they had suspended the accrual of A/L for furloughed staff, as they are essentially being paid for being on holiday. He added this depends on what employment contracts say and employee consent

would be needed for this. He said that the BMC is accruing a bill for holiday pay whilst staff are furloughed.

**Agreed
Action:
DT**

The meeting felt that ideally furloughed staff should not be accruing A/L. DT said he would speak with Kate Anwyl about this to check the contractual position.

3.3 Approach re cost of living pay award

GP noted that a question had arisen in relation to implementation of the pay award, AB was preparing to run the next payroll so a decision was needed. The Board had agreed the pay award in full, the implication being that this should be based on full salary rather than furloughed salary. If the pay award was paid during furlough, it would not be part of what was claimed back from the government as that had to be based on February salaries.

The alternatives were to implement the pay award retrospectively once all furloughing was over, or at least for furloughed staff. PD asked if this meant that furloughed staff would therefore receive back pay when they are unfurloughed: yes, that would be the case.

As the amount was not material to the cash situation of the BMC and given that staff had been advised of the pay increase, it was agreed that the pay increase could be implemented across the board in parallel with furlough.

Agreed

3.4 Position re Mountain Heritage Trust (MHT)

JD said that MHT were very anxious to understand the BMC's position in respect of the stipend provided to it, and whether the BMC was able to pay the second payment of the stipend.

HJ noted that MHT has a new treasurer (Clare) who will need figures to prepare an opening cash statement. HJ said he is happy to assist Clare and is hoping the statement will be available next week. He said that the first payment of the stipend had been paid in March, the second payment was due in August/September, adding that accurate cash flow figures are needed from MHT before the BMC can decide whether to make the second payment or not.

JD noted there was a Heritage Emergency Fund being made available to charities.

GP asked if the position the Board should take is to advise MHT that the second payment would not be made unless MHT applied for the Emergency Fund, and the BMC would revisit its position upon knowing if the application is successful or not. Also that they should be encouraged to furlough the staff member, if they were able to find someone else who could deal with the issues regarding the archive premises.

FS felt members would be concerned if the BMC did not put pressure on MHT, especially as ACT have decided not to take the £25k allocated to it in the budget pre-Crisis. LR noted that the archives are of international significance and so the BMC should be doing all it can to ensure their safety.

JD noted that there were two elements to possible external funding for MHT:

- Heritage Fund (HF) of up to £250k, but this is based on the BMC match funding £120k over 3 years, so £40k p.a., and HF have now paused all applications
- Emergency fund of up to £50k which has been made available to charities because of the Crisis

MB noted that as of yesterday up to 73 charities had applied for emergency funding and the cash made available by the Government is expected to run out within 2 weeks, due to the volume of applications. He said that MHT should be applying for this now, and as a trustee of several other charities he would have expected them to be applying immediately.

GP said the first step should be that MHT complete the form to apply for emergency funding. It was agreed that the BMC would work with MHT to support them with this application, and MB said his Head of Fundraising would be happy to look over the application. The second payment of the stipend would then be reviewed, but MHT need to understand that it is at risk.

Agreed

JW agreed to speak to John Porter about this matter when he spoke to him on Friday evening. JD agreed to draft an email to go to MHT about this matter

**Action:
JW, JD, HJ,
MB**

4 Operational matters

4.1 Membership engagement – cancellation offer

4.1.1 GP referred to the paper he had prepared and noted that there was clear support for the offer in respect of cancelled DDs to continue, and for the details of this to be shared with National Council to gain their support. The offer is that the first 3 months is free, and the remaining 9 months would be charged at 80% of full price (the Offer). There were two areas that needed further discussion:

- whether the BMC should be proactive and state that those members experiencing financial difficulties should contact the office – and they would then be offered the Offer
- parallel means of support for clubs and club members

GP asked for comments regarding the first point. The following points were raised:

- CS felt there had not been enough communication with the members to reassure them that they should remain members, particularly as many of the benefits of being a member are now paused. He worried there would be a huge uptake of the Offer if it was publicised, noting he had not seen other similar organisations doing this – but perhaps this was an opportunity for the BMC to be taking a lead
- HJ felt it was worthwhile looking at the situation post-Crisis, as 10,000 members is significant churn.
- AP felt the BMC should be proactive, as it can then manage the message
- LR said the BMC needs to be proactive and show there are still reasons to be a member and to show empathy
- JP felt the BMC has to be transparent that the Offer is available and that there are plenty of positives can be put in an article about the benefits of remaining a member

NB the meeting then adjourned for 5 minutes to allow everyone to join “Clap for Carers” at 8pm.

Upon the meeting resuming GP said he felt that the Board was moving to a consensus that an article should go on the website which would have the positives of being a member and letting members know that if they are facing financial hardship they should contact the office. He asked if there were any different views.

CS asked how this would be managed within the office. AP noted that many organisations are stating that if customers/members are suffering financial hardship to get in touch, and if they said they were that was taken at face value,

Agreed

so there was no means testing. The meeting agreed that there would be no means testing.

DT reiterated that the Offer was only for those who were thinking of cancelling their membership. GP added that refunds were not being offered.

- 4.1.2 GP then asked if the Board were happy for the Offer to be made to individual and club members. PD queried how the BMC would administer an offer for club members, as the clubs collect the fees and then pay those to the BMC.

JW pointed out that club members do have direct contact with the BMC, when they need to apply for a multiple club refund. He is very conscious that club members are also facing financial hardship and may decide to leave a club, and therefore the BMC, because of this. DT confirmed that in respect of multiple club memberships the individual contacts the BMC for a form and deals with the membership team directly. JW queried why something similar could not be done for club members in respect of the Offer.

PD said that one reason is that with individual members there is a definite trigger for them not renewing their membership, but with club members there could be a wide range of reasons why they want to leave the club. The BMC does not know the relationship between the club and the club member. The BMC should be concerned if clubs no longer want to affiliate to the BMC.

JW reiterated the point that he feels the Offer is inequitable. He said that he is not concerned about clubs as entities, but clubs and club members are separate things and club members will be experiencing financial hardship just as individual members are.

GP asked if the view was that as the Offer was for individual members that something should be done for club members, and if so should DT come up with something that is operationally possible. The meeting agreed with this.

Agreed

- 4.1.3 GP summarised the actions to be taken:

- DT to speak to Arun Patel about how an offer could be made to club members
- an article should be drafted for the website detailing all the positives of being a member and letting members know they can contact the office if they are experiencing financial hardship
- the Offer should be communicated to National Council so their support can be gained.

**Action:
DT**

GP

LR

LR asked for views as to whether it should be voting members of National Council only that are given details of the Offer, or to include observers, noting that a number of organisations were also observers e.g. ABC. It was agreed that LR together with FS, CS and JP would discuss this further and aim to get either a communication to National Council or hold a webinar over the weekend, so that support would be in place as soon as possible.

**Action:
LR, FS, CS
& JP**

- 4.2 DT update on other operational matters

DT reported that the three-weekly staff meetings taking place were working well and were useful to maintain staff morale and camaraderie. He was also planning on calling all the furloughed staff individually as he was aware some of them were worried.

He said he was having weekly calls with funded partners and these were really good meetings. Sport England were on the calls and they were being very

helpful. DT felt the relationship between the BMC and Sport England was being strengthened.

5 External relations

GP noted DT had covered this at minute 4.2 above.

6 Risk Register

GP referred to the updated risk register which had been uploaded to Teamwork (RR update 8 Apr GP DT) stating the yellow highlighting was used in relation to any risks affected by the Crisis. DT noted GP had added a further column 'likelihood and impact after mitigating factors'. GP invited the Board to comment on the updated register, the following comments were made:

- MB felt it was much improved, but felt there should be a direct risk in relation to the Crisis, so it is not just peppered throughout the register. He added that the Charities Commission had suggested charities do this and as the BMC is a not for profit organisation it would be wise to follow such guidance.
- FS felt there should be more in respect of what happens if the CEO, deputy-CEO etc. suffer illness
- AP noted that there were heightened risks in relation to the risk of loss of data and cyber security risk due to everyone working from home, along with increased risks in relation to health and safety at work.
- CS requested that a risk relating to the loss of face to face interaction with members be included.

GP agreed he would amend the risk register as noted above.

Action:
GP

FS then raised the issue of maintaining the ODG group until the 2021 AGM, and asked the Board's view. LR felt it was important that oversight was maintained and felt the sub-group of the Board should continue. It was agreed that FS would look into other possible solutions in relation to the continuance of the ODG and report back to the Board.

Agreed
Action:
FS

7 Minutes and actions from previous meetings (1 and 9 April)

GP referred to the rolling action list which had been uploaded to Teamwork (rolling action list v0.1). He noted that there was further work to do on it, particularly in relation to how the actions are grouped together and invited comments. LR said it was a great document and she was going to start using one for National Council. The other Board members agreed it was a very useful document.

GP noted any further comments could be emailed and that once it was agreed he would look to add actions from meetings dating back to September 2019 to ensure nothing is missed.

Action:
GP & LV

8 ODG work broader than AGM resolutions

GP noted there was one specific request to the Board in respect of the on-going ODG work which was the need for a Board member to sit on the new Wales sub-committee. GP asked for views on who this should be. The following points were made:

- DT felt it should be GP or HJ as they both live in Wales, but he also said he was happy to be the Board representative

- FS wondered if the balance was there being a Board member who lives in England sitting on the committee, as providing a perspective from England may be useful
- JW said it would be good to have someone on there whose approach was to understand what was being done and ensure that this was not at the expense of other BMC activities, akin to the position Roger Fanner took in relation to competition climbing

It was agreed that GP, HJ and DT would consider this further and report back at the next meeting on 23 April.

**Agreed
Action:
GP,HJ &
DT**

9 AGM Planning

LR noted that in previous years it would be herself as President discussing the AGM with those in the office who were tasked with planning it, so suggested a small group of herself and LV to deal with the initial planning, and they could draw others in as and when needed.

The meeting then discussed the issue of the resolutions to go forward at the AGM, as FS noted this would impact on the ODG work. LV pointed out that virtual meetings are still viewed as being open to challenge, and so if a resolution was put forward to amend the articles, this would also be open to challenge, so she suggested that the amendments be put on hold until 2021.

The Board agreed that there would be no resolution to amend the articles at the 2020 AGM.

Agreed

10 FAC

- 10.1 HJ said that the auditors had requested a 'sit-down' meeting with a sub-set of the Board for final sign off of the 2019 accounts and for the auditors to talk through the accounts. HJ suggested this sub-set be the FAC with GP and LR and that the meeting was likely to be Monday evening next week [*PMN: this is now being arranged for the afternoon of Thursday 23rd April*].

GP noted that the Board would then be required to formally approve the accounts.

HJ then reported on the tender for new auditors. He noted that Hurst & Co had now responded to the FAC's request for a quote based on a 3 year contract, and that their quote was £9k p.a. He noted that this was £1k p.a. more expensive than UHY Hacker Young, but that Hurst & Co were still the FAC's preferred auditors, including because of the level of service they indicated they would offer. He noted that they provided superior answers to UHY Hacker Young and offered significant added value in respect of the level of service to be provided. HJ asked if the Board were therefore happy to accept the FAC's recommendation.

The Board agreed with the FAC's recommendation and formally approved the acceptance of Hurst & Co to be the BMC's auditors for a period of 3 years.

Agreed

HJ said he would inform the FAC. MB asked to speak to HJ separately about whether ACT should also use Hurst & Co moving forward.

**Action:
HJ & MB**

- 10.2 CS raised the point about the fact that a resolution had been passed at the 2019 AGM stating that the administrative changes to be made in the 2018 accounts, would be noted in the 2019 accounts, and such changes were not in the 2019 accounts.

LV stated that the resolution was advisory only as it was only passed by members attending the AGM in person and had not been included on the notice of the AGM, meaning that all the members who had voted by proxy had not been able to vote on it. The Board had decided following 2019's AGM to take a different and stronger course of action, i.e. the supplementary note filed at Companies House.

CS noted that members may not be aware of the filing at Companies House, but be expecting something in the 2019 accounts. GP said he was happy to do a note on this to present at this year's AGM in relation to this point. LR wondered if it was worth contacting the member that put the resolution forward.

Action:
GP

11 Mountain Training Trust (MTT)

GP noted that Mike Rosser had prepared a report and asked for any comments.

JW said that he had the same comments he has been making for the last 9 months:

- Does the pensions liability referred to include the last 20 years, or is it just the liability from pre-1997?
- What is the situation with the repairing responsibilities under the lease, particularly the fire escapes and ski slope.
- The question of a new long-term lease, more information is needed so that the BMC can understand the basis of it and any liabilities contained within it.

He indicated a concerned that the BMC is not being provided with sufficient answers to these questions and is worried about MTT's going concern basis.

GP indicated that discussion with Sport England in relation to the long-term lease were on hold during the Crisis, but agreed to go back to Mike Rosser for answers to the other questions above.

Action:
GP

12 CEO objectives and framework

GP noted that work on this was on going with DT.

13 Close of meeting

LV asked Board members to send in comments on previous minutes, and also to let her know if they had no comments to allow her to prepare further sets of minutes.

GP thanked everyone for attending.

Item	Action	Involving	Target date
2.1	HJ to speak with AB and ask him to circulate the membership reports.	HJ	Immediate
2.1	HJ to ask AB to look into the possibility of rate relief for the office.	HJ	Immediate
3.2	DT to speak with KA about the situation regarding furloughed staff and annual leave.	DT	Immediate
3.4	JD and JW to follow up with MHT on the need to apply for the Heritage Emergency Fund, with HJ to provide assistance with ensuring access to the most recent financial information and MB to facilitate support with the application process.	JD, JW, HJ, MB	Immediate
4.1.3	DT to speak with Arun about how the Offer could work with club members.	DT	Immediate

Item	Action	Involving	Target date
4.1.3	Article to be drafted for the website to inform members of the positives of remaining a member and to let them know to contact the office if they are experiencing financial difficulties.	GP	Immediate
6	Risk register to be updated as per set out at minutes 6.	GP	Immediate
6	FS to consider the options in relation to the continuance of ODG work up to the 2021 AGM.	FS	Immediate
7	Board to email any comments to GP/LV on the rolling action list and GP/LV to tweak as necessary and add actions from previous board meetings.	All GP & LV	Immediate
8	GP, HJ and DT to consider the position in respect of the Board member to sit on the Wales sub-committee.	GP, HJ & DT	Immediate
10.1	HJ to inform the FAC that the Hurst & Co recommendation has been approved by the Board. MB and HJ to speak about ACT's auditors.	HJ & MB	Immediate
10.2	GP to prepare a note for members about the action taken by the Board in respect of the issue raised at minute 4.19 of the 2019 AGM.	GP	On-going
11	GP to contact Mike Rosser about MTT and to ask for answers to the questions set out in minute 11.	GP	Immediate